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**ASSUMPTION PARISH SHERIFF**  
Napoleonville, Louisiana

Financial Report

Year Ended June 30, 2002

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1/15/03

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## INDEPENDENT AUDITOR'S REPORT

\* A Professional Accounting Corporation

The Honorable Michael J. Waguespack  
Assumption Parish Sheriff  
Napoleonville, Louisiana

We have audited the accompanying basic financial statements of the Assumption Parish Sheriff (hereinafter "Sheriff") as of and for the year ended June 30, 2002, as listed in the table of contents. These basic financial statements are the responsibility of the Sheriff. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Assumption Parish Sheriff as of June 30, 2002, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 2 to the basic financial statements, the Assumption Parish Sheriff has implemented a new financial reporting model, as required by the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments. This results in a change in the format and content of the basic financial statements.

In accordance with Government Auditing Standards, we have also issued a report dated August 30, 2002 on our consideration of the Assumption Parish Sheriff's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

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The Management's Discussion and Analysis and the other required supplementary information on pages 3 through 11 and 39, respectively, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The other supplementary information on pages 41 through 44 is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Assumption Parish Sheriff. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Morgan City, Louisiana  
August 30, 2002

**ASSUMPTION PARISH SHERIFF**  
**Napoleonville, Louisiana**  
**Management's Discussion and Analysis (Unaudited)**

Within this section of the Assumption Parish Sheriff's annual financial report, the Assumption Parish Sheriff's management is pleased to provide this narrative discussion and analysis of the financial activities of the Assumption Parish Sheriff for the fiscal year ended June 30, 2002. The Assumption Parish Sheriff's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

**FINANCIAL HIGHLIGHTS**

- The Assumption Parish Sheriff's assets exceeded its liabilities by \$999,029 (net assets) for the fiscal year reported.
- The net assets are comprised of the following:
  - (1) Capital assets, net of related debt, of \$502,403 include equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase of capital assets.
  - (2) Unrestricted net assets of \$496,626 represent the portion available to maintain the Assumption Parish Sheriff's continuing obligations to citizens and creditors.
- The Assumption Parish Sheriff's governmental funds reported total ending fund balance of \$652,658 this year. This compares to the prior year ending fund balance of \$863,421 showing a decrease of \$210,763 during the current year. Unreserved fund balance of \$652,658 for fiscal year 2002 shows a \$144,557 decrease from the prior year.
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$652,658 or 14% of total General Fund expenditures and 16% of total General Fund revenues including transfers.
- Overall, the Assumption Parish Sheriff's Office continues to maintain a solvent financial position, in spite of being a rural parish with a minimal growth in its tax base and limits to other sources of revenues.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This Management Discussion and Analysis document introduces the Assumption Parish Sheriff's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements and (3) notes to the basic financial statements. The Assumption Parish Sheriff also includes in this report additional information to supplement the basic financial statements. Comparative data for the prior year is only available on a limited basis. However all applicable tables will present comparative data in fiscal year 2003.

**ASSUMPTION PARISH SHERIFF**  
**Napoleonville, Louisiana**  
**Management's Discussion and Analysis (Unaudited)**

**Government-wide Financial Statements**

The Assumption Parish Sheriff's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Assumption Parish Sheriff's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the Statement of Net Assets. This is the government-wide statement of position presenting information that includes all of the Assumption Parish Sheriff's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Assumption Parish Sheriff as a whole is improving or deteriorating. Evaluation of the overall health of the Assumption Parish Sheriff would extend to other nonfinancial factors such as diversification of the taxpayer base, in addition of the financial information provided in this report.

The second government-wide statement is the Statement of Activities, which reports how the Assumption Parish Sheriff's net assets changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Assumption Parish Sheriff's distinct activities or functions on revenues provided by the Assumption Parish Sheriff's taxpayers.

The government-wide financial statements present governmental activities of the Assumption Parish Sheriff that are principally supported by property taxes. The sole purpose of these governmental activities is public safety.

The government-wide financial statements are presented on pages 14 & 15 of this report.

**Fund Financial Statements**

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Assumption Parish Sheriff uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Assumption Parish Sheriff's most significant funds rather than the Assumption Parish Sheriff as a whole.

The Assumption Parish Sheriff has two kinds of funds:

Governmental funds are reported in the fund financial statements and encompass the same function reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Assumption Parish Sheriff's governmental funds, including object classifications. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.



**ASSUMPTION PARISH SHERIFF**  
**Napoleonville, Louisiana**  
**Management's Discussion and Analysis (Unaudited)**

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 18 - 21 of this report.

Fiduciary funds are reported in the fund financial statements and report taxes collected for other taxing bodies, deposits held pending court action and the individual prison inmate accounts. The Assumption Parish Sheriff only reports agency funds.

The basic agency fund financial statement is presented on page 22 of this report.

**Notes to the basic financial statements**

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 23 of this report.

**Other information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Assumption Parish Sheriff's budget presentations. Budgetary comparison statements are included as "required supplementary information" of the general fund. These statements and schedules demonstrate compliance with the Assumption Parish Sheriff's adopted and final revised budget. Required supplementary information can be found on page 39 of this report.

In addition, more detailed general fund budget information and details of the individual agency funds are presented as supplementary information presented on pages 41 - 44 of this report.

**FINANCIAL ANALYSIS OF THE PARISH SHERIFF AS A WHOLE**

The Assumption Parish Sheriff implemented the new financial reporting model used in this report beginning with the current fiscal year ended June 30, 2002. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the Assumption Parish Sheriff as a whole.

**ASSUMPTION PARISH SHERIFF**  
**Napoleonville, Louisiana**  
**Management's Discussion and Analysis (Unaudited)**

The Assumption Parish Sheriff's net assets at fiscal year-end are \$999,029. The following table provides a summary of the Assumption Parish Sheriff's net assets:

	<u>Activities</u>	<u>Total</u>
<b>Assets:</b>		
Current assets and other assets	\$ 904,127	63%
Capital assets	<u>528,594</u>	<u>37%</u>
<b>Total assets</b>	<u>\$ 1,432,721</u>	<u>100%</u>
<b>Liabilities:</b>		
Current liabilities	\$ 296,839	68%
Long-term liabilities	<u>136,853</u>	<u>32%</u>
<b>Total liabilities</b>	<u>\$ 433,692</u>	<u>100%</u>
<b>Net Assets:</b>		
Investment in capital assets, net of debt	\$ 502,403	50%
Unrestricted	<u>496,626</u>	<u>50%</u>
<b>Total net assets</b>	<u><u>\$ 999,029</u></u>	<u><u>100%</u></u>

The Assumption Parish Sheriff continues to maintain a high positive ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 3.1 to 1.

The Assumption Parish Sheriff reported positive balances in net assets for the governmental activities. Although net assets decreased \$202,208 for governmental activities in fiscal year 2002, the Assumption Parish Sheriff still reports \$999,029 of net assets.

Note that 50% of the governmental activities' net assets are tied up in capital assets. The Assumption Parish Sheriff uses these capital assets to provide services to its citizens.



**ASSUMPTION PARISH SHERIFF**  
**Napoleonville, Louisiana**  
**Management's Discussion and Analysis (Unaudited)**

Since this is the first year in which government-wide information is available, comparative data is not presented. However, comparative data will be accumulated and presented to assist analysis in future years. The following table provides a summary of the Assumption Parish Sheriff's changes in net assets:

<b>Summary of Changes in Net Assets</b>		
	<b>Governmental Activities</b>	<b>Percentage of Total</b>
Revenues:		
Programs:		
Charges for services	\$ 911,570	23%
Operating grants	347,062	9%
General:		
Property taxes	1,982,035	51%
State sources	521,832	13%
Interest	21,580	1%
Miscellaneous	135,616	3%
Special item-gain on sale of surplus equipment	<u>1,120</u>	<u>0%</u>
Total Revenues:	<u>\$ 3,920,815</u>	<u>100%</u>
Program Expenses:		
Public safety	4,116,848	100%
Interest	<u>6,175</u>	<u>0%</u>
Total Expenses	<u>4,123,023</u>	<u>100%</u>
Changes in net assets	(202,208)	
Beginning net assets	<u>1,201,237</u>	
Ending net assets	<u><u>\$ 999,029</u></u>	

**ASSUMPTION PARISH SHERIFF**  
**Napoleonville, Louisiana**  
**Management's Discussion and Analysis (Unaudited)**

**GOVERNMENTAL REVENUES**

The Assumption Parish Sheriff is heavily reliant on property taxes to support its operations. Property taxes provided 51% of the Assumption Parish Sheriff's total revenues. Because the Assumption Parish Sheriff invests its idle cash, we have been able to earn \$21,580 in interest earnings to support governmental activities. Also, note that program revenues cover 32% of governmental operating expenses. This means that the government's taxpayers and the Assumption Parish Sheriff's other general revenues fund 68% of its operations.

**GOVERNMENTAL FUNCTIONAL EXPENSES**

The total function of Assumption Parish Sheriff's office is public safety activities. Of the total costs, depreciation on the office equipment and vehicles was \$87,442 or 2% of total expenses.

**GOVERNMENTAL FUNCTIONAL EXPENSES**

**Governmental funds**

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$652,658. Of this year-end total, \$591,601 or 91% is unreserved indicating availability for continuing the Assumption Parish Sheriff activities.

The total ending fund balances of governmental funds shows a decrease of \$144,557 or 18% from the prior year.

**Major Governmental Funds**

The General Fund is the Assumption Parish Sheriff's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance decreased by \$210,763 from the prior year. In fiscal year 2001, the fund balance increased \$249,807. In fiscal year 2002, revenues increased \$412,440; however, expenditures increased \$808,206.

Three key factors contributed to this change. The increase in ad valorem taxes relates to an increase of approximately \$197,000 or 11% due to reassessments and an overall increase in property values. The increase in intergovernmental revenues relates primarily to an increase in state grants of approximately \$147,000 or 7%. The increase in fees, charges and commissions for services relates primarily to increase in civil and criminal fees of approximately \$35,000 or 19%. Also, there was a significant increase in miscellaneous revenues of approximately \$81,000 or 150% due primarily to increases in jail commissary commission and insurance claim reimbursements and the application of new revenue sources, such as lease and rental income and contractual service agreements.

Operating expenditures were approximately \$808,206 or 21% greater than fiscal year 2002. Personal services and related benefit costs increased approximately \$457,000 or 24% over the prior year. Unfortunately, the primary cause for this increase was due to a significant increase in hospitalization insurance premium costs

**ASSUMPTION PARISH SHERIFF**  
**Napoleonville, Louisiana**  
**Management's Discussion and Analysis (Unaudited)**

and other personnel costs.

Although the General Fund's ending fund balance was less than the prior year, we consider this amount solvent but minimal as it only represents 14% of fiscal year 2002's annual expenditures.

**BUDGETARY HIGHLIGHTS**

**The General Fund**

The General Fund's original and final revenue budgets were less than the actual amounts reported in fiscal year 2001. The majority of the reduction related to the increase in personal services and related benefit costs as we discussed above.

The original expenditure budget reported a total increase of 21% over the actual 2002 amounts. As we discussed above, the increase relates to hospitalization insurance premium rates and increase in operating services costs.

The final amended budget reported revenues increasing 16% over the original budget. The expenditure amended budget increased 18% over the original budget.

Although the overall increase in the amended budget was more than expected, some of the reasons for the changes in the expenditure budget are as follows:

- An overall increase in payroll costs associated with increasing the number of deputies needed on the force.
- A significant increase in both hospitalization and life insurance premiums.
- An increase in the capital outlay costs associated with the purchase of new and used vehicles and equipment.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital assets**

The Assumption Parish Sheriff's investment in capital assets, net of accumulated depreciation as of June 30, 2002, was \$528,594. The overall increase was 45% for the Assumption Parish Sheriff as a whole. See Note 7 for additional information about changes in capital assets during the fiscal year and outstanding at the end of the year. The following table provides a summary of capital asset activity:

**ASSUMPTION PARISH SHERIFF**  
**Napoleonville, Louisiana**  
**Management's Discussion and Analysis (Unaudited)**

**Capital Assets**

**Governmental Activities**

	<u><b>2002</b></u>	<u><b>2001</b></u>
Depreciable assets:		
Office equipment & furniture	\$ 280,918	\$ 375,801
Vehicles	<u>1,206,544</u>	<u>1,039,790</u>
Total depreciable assets	1,487,462	1,415,591
Less accumulated depreciation	<u>958,868</u>	<u>1,051,584</u>
Book value-depreciable assets	<u><u>\$ 528,594</u></u>	<u><u>\$ 364,007</u></u>
Percentage depreciated	<u>64%</u>	<u>74%</u>

At June 30, 2002, the depreciable capital assets for governmental activities were 64% depreciated versus 74% in the prior year.

The major additions to the vehicles account includes:

5 new vehicles      \$102,450 (an average cost of \$20,490)

8 used vehicles      \$ 92,678 (an average cost of \$11,585)

**Long-term debt**

At the beginning of the fiscal year, the Assumption Parish Sheriff had indebtedness in the form of capital leases outstanding of \$26,190. These lease agreements contain "non-appropriation" clauses so that in the event the Assumption Parish Sheriff determines that funding is not available the Assumption Parish Sheriff does not have to appropriate funding for this indebtedness. During the year, the Assumption Parish Sheriff retired \$12,686 or 48% of the beginning outstanding bonded debt balance. Within two years, all indebtedness will be retired. See note 11 for additional information regarding long-term debt.

The Assumption Parish Sheriff also had indebtedness in the form of compensated absences of \$168,718 for the year ending June 30, 2002. Additions during this fiscal year amounts to \$65,930 or 64% of the beginning balance of accrued compensated absences.

**ASSUMPTION PARISH SHERIFF**  
**Napoleonville, Louisiana**  
**Management's Discussion and Analysis (Unaudited)**

**ECONOMIC CONDITIONS AFFECTING THE PARISH SHERIFF**

Currently, there are no known economic conditions which could cause a serious disruption in our primary services as a result of a possible declining ad valorem tax base which is our major source of revenue. Locally, the oil field service and related manufacturing sector has seen a slight increase in its activity. The agricultural segment of our local economy as it relates to harvesting sugar cane has been affected due to weather conditions experienced during the latter part of 2002. However, we do not feel this will have a significant impact on the sheriff's operations or its ability to continue to collect the needed revenues in order to provide primary, public safety services.

**CONTACTING THE PARISH SHERIFF'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the Assumption Parish Sheriff's finances, comply with finance-related laws and regulations and demonstrate the Assumption Parish Sheriff's commitment to public accountability. If you have questions about this report or would like to request additional information contact the Assumption Parish Sheriff's Office at (985) 369-7281.

## **BASIC FINANCIAL STATEMENTS**



**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS (GWFS)**

ASSUMPTION PARISH SHERIFF  
Napoleonville, Louisiana

Statement of Net Assets  
June 30, 2002

	<u>Governmental Activities</u>
 ASSETS	
Cash and interest-bearing deposits	\$ 46,060
Investments	604,679
Receivables, net	33,908
Due from other governmental units	158,424
Prepaid insurance	12,548
Restricted Cash	48,508
Capital assets, net	<u>528,594</u>
 TOTAL ASSETS	 <u>1,432,721</u>
 LIABILITIES	
Accounts, salaries, and other payables	251,469
Long term liabilities:	
Due within one year	45,370
Due in more than one year	<u>136,853</u>
 TOTAL LIABILITIES	 <u>433,692</u>
 NET ASSETS	
Invested in capital assets, net of related debt	502,403
Unrestricted	<u>496,626</u>
 TOTAL NET ASSETS	 <u>\$ 999,029</u>

The accompanying notes are an integral part of the basic financial statements.

**Statement of Activities**  
**Year Ended June 30, 2002**

The accompanying notes are an integral part of the basic financial statements.

**FUND FINANCIAL STATEMENTS (FFS)**

## **MAJOR FUND DESCRIPTION**

### **General Fund**

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

ASSUMPTION PARISH SHERIFF  
Napoleonville, Louisiana

Balance Sheet - Governmental Fund  
June 30, 2002

	General Fund
<b>ASSETS</b>	
Cash and interest-bearing deposits	\$ 46,060
Investments	604,679
Receivables -	
Due from other funds	11,941
Due from other governmental agencies	146,483
Prepaid items	12,548
Other	33,908
Restricted assets:	
Cash	<u>48,508</u>
Total assets	<u>\$ 904,127</u>
<b>LIABILITIES AND FUND BALANCES</b>	
Liabilities:	
Accounts payable	\$ 212,996
Due to taxing bodies and other	<u>38,473</u>
Total liabilities	<u>251,469</u>
Fund balance:	
Reserved for prepaid items	12,548
Reserved for special programs	48,508
Unreserved and undesignated	<u>591,602</u>
Total fund balance	<u>652,658</u>
Total liabilities and fund balance	<u>\$ 904,127</u>

The accompanying notes are an integral part of the basic financial statements.



ASSUMPTION PARISH SHERIFF  
Napoleonville, Louisiana

Reconciliation of the Governmental Fund Balance Sheet  
to the Statement of Net Assets  
June 30, 2002

Total fund balances for governmental funds at June 30, 2002	\$ 652,658
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Total net assets reported for governmental activities in the statement of net assets is different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of

Vehicles, net of \$874,544 accumulated depreciation	\$332,000	
Equipment, net of \$49,631 accumulated depreciation	127,969	
Computer, net of \$31,884 accumulated depreciation	55,437	
Radio, net of \$2,809 accumulated depreciation	<u>13,188</u>	528,594

Compensated absences and capital leases are not expected to be liquidated with expendable available financial resources and, therefore, are not reported in the funds. Those consist of

Capital leases	(13,505)	
Compensated absences	<u>(168,718)</u>	(182,223)

Net assets at June 30, 2002	<u>\$ 999,029</u>
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The accompanying notes are an integral part of the basic financial statements.

ASSUMPTION PARISH SHERIFF  
Napoleonville, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance  
Governmental Fund - General Fund  
Year Ended June 30, 2002

Revenues:	
Ad valorem taxes	\$1,982,035
Intergovernmental revenues -	
Federal grants	210,684
State grants - state revenue sharing (net)	349,420
State supplemental pay	136,378
Video poker commissions	172,412
Reimbursement programs	167,743
Fees charges and commissions for services -	
Commissions on taxes	78,587
Civil and criminal fees	220,267
Court attendance	3,425
Telephone commissions	26,774
Feeding and keeping prisoners	414,774
Interest income	21,580
Miscellaneous	135,616
Total revenues	<u>3,919,695</u>
Expenditures:	
Current -	
Public safety:	
Personal services and related benefits	2,397,488
Operating services	693,340
Operations and maintenance	748,275
Travel and other charges	21,585
Debt service	471,375
Capital outlay	252,029
Total expenditures	<u>4,584,092</u>
	(664,397)
(Deficiency) of revenues over expenditures	
Other financing sources (uses):	
Sales of surplus equipment	1,120
Interest	(4,486)
Debt proceeds	457,000
Net other financing sources (uses)	<u>453,634</u>
	(210,763)
(Deficiency) of revenues and other sources over expenditures and other uses	
Fund balance, beginning	<u>863,421</u>
Fund balance, ending	<u>\$ 652,658</u>

The accompanying notes are an integral part of the basic financial statements.

ASSUMPTION PARISH SHERIFF  
Napoleonville, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balance of Governmental Funds  
to the Statement of Activities  
June 30, 2002

Total net changes in fund balance for the year ended June 30, 2002 per Statement of Revenues, Expenditures and Changes in Fund Balances	\$ (210,763)
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The change in net assets reported for governmental activities in the  
statement of activities is different because:

Compensated absences are not expected to be liquidated with expendable available financial resources and, therefore, are not reported in the funds.	(168,718)
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Governmental funds report capital leases as expenditures. However, this expenditure does not appear in the statement of activities since the payment is applied against the capital lease payable balance on the statement of net assets	12,686
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Governmental funds report capital outlays as expenditures. However,  
in the statement of activities, the cost of those assets is allocated over  
their estimated useful lives and reported as depreciation expense.

Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances	\$252,029	
Depreciation expense for the year ended June 30, 2002	<u>(87,442)</u>	<u>164,587</u>

Total changes in net assets for the year ended June 30, 2002 per Statement of Activities	<u>\$ (202,208)</u>
---	---------------------

The accompanying notes are an integral part of the basic financial statements.

ASSUMPTION PARISH SHERIFF  
Napoleonville, Louisiana

Statement of Fiduciary Net Assets  
June 30, 2002

	<u>Agency Funds</u>
ASSETS	
Cash and interest-bearing deposits	<u>\$300,036</u>
LIABILITIES	
Liabilities:	
Due to other taxing bodies	\$296,618
Due to inmates	<u>3,418</u>
Total liabilities	<u>\$300,036</u>

The accompanying notes are an integral part of the basic financial statements.

ASSUMPTION PARISH SHERIFF  
Napoleonville, Louisiana

Notes to Financial Statements

INTRODUCTION

As provided by Article V, Section 27 of the Louisiana Constitution of 1974, the sheriff serves a four-year term as the chief executive officer of the law enforcement district and ex-officio tax collector of the parish. The sheriff administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, and serving subpoenas.

As the chief law enforcement officer of the parish, the sheriff has the responsibility for enforcing state and local laws and ordinances within the territorial boundaries of the parish. The sheriff provides protection to the residents of the parish through on-site patrols and investigations and serves the residents of the parish through the establishment of neighborhood watch programs, anti-drug abuse programs, et cetera. In addition, when requested, the sheriff provides assistance to other law enforcement agencies within the parish.

As the ex-officio tax collector of the parish, the sheriff is responsible for collecting and distributing ad valorem property taxes, parish occupational licenses, state revenue sharing funds, and fines, costs, and bond forfeitures imposed by the district court.

The accounts of the tax collector are established to reflect the collections imposed by law, distributions pursuant to such law, and unsettled balances due various taxing bodies and others.

The accounting and reporting policies of the Assumption Parish Sheriff conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of the industry audit guide, Audits of State and Local Governmental Units.

(1) Summary of Significant Accounting Policies

A. Reporting Entity

For financial reporting purposes, the Sheriff includes all funds, account groups, activities, et cetera, that are controlled by the Sheriff as an independently elected parish official. As an independently elected parish official, the Sheriff is solely responsible for the operations of his office, which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Other than certain operating expenditures of the Sheriff's office that are paid or provided by the parish police jury as required by Louisiana law, The Sheriff is financially independent.

Accordingly, the Sheriff is a separate governmental reporting entity. Certain units of local government, over which the sheriff exercises no oversight responsibility, such as the parish council, parish school board, other independently elected parish officials, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the parish Sheriff.

ASSUMPTION PARISH SHERIFF  
Napoleonville, Louisiana

Notes to Financial Statements (Continued)

B. Basis of Presentation

The accompanying basic financial statements of the Assumption Parish Sheriff have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, "Basic Financial Statements-and Management's Discussion and Analysis—for State and Local Governments", issued in June 1999. As a result, an entirely new financial presentation format has been implemented.

Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and the Statement of Activities display information about the Sheriff as a whole. These statements include all the financial activities of the Sheriff. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions."

The statement of activities presents a comparison between direct expenses and program revenues for the Sheriff's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of services offered by the Sheriff, and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements (FFS)

The sheriff uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain sheriff functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The various funds of the Sheriff are classified into two categories: governmental and fiduciary. The emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Sheriff or its total assets, liabilities, revenues, or expenditures of the individual governmental fund is at least 10 percent of the corresponding total for all governmental funds. The general fund of the Sheriff is considered to be a major fund. The funds of the Sheriff are described below:



ASSUMPTION PARISH SHERIFF  
Napoleonville, Louisiana

Notes to Financial Statements (Continued)

Governmental Fund –

General Fund – This fund is the primary operating fund of the sheriff and it accounts for the operations of the Sheriff's office. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to sheriff policy.

Fiduciary Funds -

Fiduciary fund reporting focuses on net assets and changes in net assets. The only funds accounted for in this category by the sheriff are agency funds. The agency funds account for assets held by the sheriff as an agent for various taxing bodies (tax collections) and for deposits held pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting.

C. Measurement Focus/Basis of Accounting

The amounts reflected in the General Fund are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of sheriff operations.

The amounts reflected in the General Fund use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). *Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period.* The sheriff considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental fund uses the following practices in recording revenues and expenditures:

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year taxes are due and payable. Ad valorem are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. The taxes are generally collected in December, January, and February of the fiscal year.

ASSUMPTION PARISH SHERIFF  
Napoleonville, Louisiana

Notes to Financial Statements (Continued)

Intergovernmental revenues and fees, charges and commissions for services are recorded when the Sheriff is entitled to the funds.

Interest on interest-bearing deposits is recorded or accrued as revenues when earned. Substantially all other revenues are recorded when received.

Expenditures

The Sheriff's primary expenditures include salaries and insurance, which are recorded when the liability is incurred. Capital expenditures and purchases of various operating supplies are regarded as expenditures at the time purchased.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) when the transfer is authorized by the Sheriff.

Deferred Revenues

Deferred revenues arise when resources are received by the sheriff before it has a legal claim to them, as when grant monies are received before the incurrence of qualifying expenditures. In subsequent periods, when the sheriff has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

D. Budgets

The Sheriff follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The chief administrative deputy prepares a proposed budget for the general and special revenue funds and submits it to the Sheriff for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.

ASSUMPTION SHERIFF  
Napoleonville, Louisiana

Notes to Financial Statements (Continued)

5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as finally amended by the Sheriff. Such amendments were not material in relation to the original appropriations.

E. Cash and Interest-Bearing Deposits

Cash and interest-bearing deposits include amounts in demand deposits, interest-bearing demand deposits, and time deposits. They are stated at cost, which approximates market.

F. Investments

Under state law, the Sheriff may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The Sheriff may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana Law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. At June 30, 2002, all of the Sheriff's investments are in LAMP, which are stated at amortized cost.

G. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

H. Prepaid Items

Insurance payments made to insurance agencies that will benefit periods beyond June 30, 2002 are recorded as prepaid items.

I. Capital Assets

Capital assets are capitalized at historical cost or estimated cost (the extent to which fixed asset costs have been estimated and the methods of estimation should be disclosed) if historical cost is not available (or describe other method of valuation). Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The sheriff maintains a threshold level of \$1,000 or more for capitalizing capital assets.

ASSUMPTION SHERIFF  
Napoleonville, Louisiana

Notes to Financial Statements (Continued)

Capital assets are recorded in the Statement of Net Assets and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Vehicles	5
Office furniture	5-10
Equipment	5-10

J. Compensated Absences

Employees of the Sheriff earn two weeks of annual leave and five days of sick leave each year. Annual and sick leave must be used in the year it is earned. Additional leave of absence, without pay, may be granted at the discretion of the Sheriff.

In lieu of payment for certain hours worked, employees of the Assumption Parish Sheriff may elect to receive comp-time. Comp-time may be used for paid time off from work or left to accumulate, up to a maximum of 480 hour per employee. Any unused comp-time at the time of retirement, or separation from employment, is paid to the employee.

K. Restricted Net Assets

For government-wide statement of net assets, net assets are reported as restricted when constraints placed on net asset use are either:

1. externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; and
2. imposed by law through constitutional provisions or enabling legislation.

L. Fund Equity

In the fund financial statements, the governmental fund reports reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Any designations of fund balance represent tentative management plans that are subject to change.

M. Interfund Transactions

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions are reported as transfers.

ASSUMPTION SHERIFF  
Napoleonville, Louisiana

Notes to Financial Statements (Continued)

N. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to *make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period.* Actual results could differ from those estimates.

(2) Changes in Accounting Principles

For the year ended June 30, 2002, the Sheriff has implemented GASB Statement No. 34, Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments. GASB Statement No. 34 creates new basic financial statements for reporting on the Sheriff’s financial activities. The financial statements now include government-wide financial statements prepared on the accrual basis of accounting, and fund financial statements which present information for individual major funds rather than by fund type which has been the mode of presentation in previously issued financial statements. The Sheriff also implemented GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions, No. 37, Basic Financial Statements – And Management’s Discussion and Analysis – For State and Local Governments: Omnibus, No. 38, Certain Financial Statement Note Disclosures, and Interpretation No. 6, Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements. At June 30, 2001, there was no effect on fund balance as a result of implementation of GASB Statement No. 33.

The implementation of GASB Statement No. 34 caused the opening fund balance at June 30, 2001 to be restated in terms of “net assets” as follows:

Total fund balances - Governmental Funds at June 30, 2001		\$ 863,421
Add: Cost of capital assets at June 30, 2001	\$1,415,591	
Less: Accumulated depreciation at June 30, 2001	(1,051,584)	
Less: Long-term capital lease payable at June 30, 2001	<u>(26,191)</u>	<u>337,816</u>
Net assets at June 30, 2001		<u>\$ 1,201,237</u>



ASSUMPTION SHERIFF  
Napoleonville, Louisiana

Notes to Financial Statements (Continued)

(3) Cash and Interest-Bearing Deposits

Under state law, the Sheriff may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Sheriff may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2002, the Sheriff has cash and interest-bearing deposits (book balances) totaling \$346,096, as follows:

	Government-wide Statement of Net Assets	Fiduciary Funds Statement of Net Assets	Total
Noninterest-bearing deposits	\$ 46,060	\$ -	\$ 46,060
Interest-bearing deposits	<u>48,508</u>	<u>300,036</u>	<u>348,544</u>
Total	<u>\$ 94,568</u>	<u>\$300,036</u>	<u>\$ 394,604</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2002, are secured as follows:

Bank balances	<u>\$ 469,818</u>
Federal deposit insurance	160,610
Pledged securities (category 3)	<u>309,208</u>
Total	<u>\$ 469,818</u>

Pledged securities in Category 3 includes uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Sheriff's name. Even though the pledged securities are considered uncollateralized (Category 3) Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Sheriff that the fiscal agent has failed to pay deposited funds upon demand.



ASSUMPTION SHERIFF  
Napoleonville, Louisiana

Notes to Financial Statements (Continued)

(4) Investments

The Sheriff can invest in direct debt securities of the United States unless law expressly prohibits such an investment. The Sheriff's investments are categorized to give an indication of the level of risk assumed by it at year end. Category 1 includes investments that are insured or registered or for which the securities are held by the Sheriff or its agent in the Sheriff's name. Category 2 includes uninsured and unregistered investments with securities held by the counterparty's trust department or agent in the Sheriff's name. Category 3 includes uninsured and unregistered investments with securities held by the counterparty, or by its trust department or agent, but not in the Sheriff's name.

In accordance with GASB Codification Section 150.165, the investment in LAMP is not categorized in the three risk categories provided by GASB Codification Section 150.164 because the investment is in the pool of funds and thereby not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc.; a non-profit corporation organized under the laws of the State of Louisiana, and is governed by a board of directors comprised of representatives from various local governments and statewide professional organizations. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2-a7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments.

The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U. S. Treasury, the U. S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. The fair market value of investments is determined on a weekly basis to monitor any variances between amortized cost and market value. For purposes of determining participants' shares, investments are valued at amortized cost. GASB Statement No. 31 requires that investments, that fall within the definitions of said statement, be recorded at fair value. However, Statement No. 31 also states that investments in an external investment pool can be reported at amortized cost if the external investment pool operates in a manner consistent with the Security Exchange Commission's (SEC's) Rule 2a7. LAMP is an external investment pool that operates in a manner consistent with SEC Rule 2a7.

At June 30, 2002, the Sheriff's investments totaled \$ 604,679 as follows:

Description	Category	Interest Rate	Amortized Cost	Approximate Market Value
LAMP:				
Government-wide statement of net assets	N/A	variable	<u>\$ 604,679</u>	<u>\$ 604,679</u>

ASSUMPTION SHERIFF  
Napoleonville, Louisiana

Notes to Financial Statements (Continued)

(5) Ad Valorem Taxes

The Sheriff is the ex-officio tax collector of the parish and is responsible for the collection and distribution of ad valorem property taxes. Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the parish government in June and are actually billed to taxpayers by the Sheriff in October. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Tax Assessor of Assumption Parish and are collected by the Sheriff. The taxes are remitted to the appropriate taxing bodies net of deductions for assessor's compensation and pension fund contributions.

Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended June 30, 2002, law enforcement taxes applicable to the Sheriff's General Fund, were levied at the rate of 29.06 mills on property with net assessed valuations totaling \$69,567,540.

Total law enforcement taxes levied during 2002 were \$2,021,633.

(6) Receivables and Due From Other Governmental Units

Receivables and amounts due from other governmental units at June 30, 2002 consist of the following:

	<u>Receivables</u>	<u>Due from Other Governments</u>
Assumption Clerk of Court for civil fees	\$ -	\$ 2,354
Assumption Parish and others for		
prisoner maintenance, fees, and other charges	-	39,398
State of Louisiana for video poker commissions	-	39,088
State of Louisiana for grants	-	7,938
Due from agency funds for commissions, taxes, and interest	-	11,941
State supplemental pay	-	11,700
Boys and Girls Club of Assumption	27,698	-
U. S. Department of Justice federal grant	-	46,005
Due from employees	3,743	-
Miscellaneous receivables	2,467	-
	<u>\$33,908</u>	<u>\$ 158,424</u>

ASSUMPTION SHERIFF  
Napoleonville, Louisiana

Notes to Financial Statements (Continued)

(7) Capital Assets

Capital asset activity for the year ended June 30, 2002 was as follows:

	Balance 7/1/2001	Additions	Deletions	Balance 6/30/2002
Governamental activities:				
Vehicles	\$1,039,790	\$ 195,128	\$ (28,374)	\$1,206,544
Equipment	233,983	48,604	(104,988)	177,599
Computers	86,777	6,347	(5,802)	87,322
Radio	55,041	1,950	(40,994)	15,997
Total	<u>1,415,591</u>	<u>252,029</u>	<u>(180,158)</u>	<u>1,487,462</u>
Less: accumulated depreciation				
Vehicles	836,703	66,215	(28,374)	874,544
Equipment	142,661	11,958	(104,988)	49,631
Computers	29,119	8,567	(5,802)	31,884
Radio	43,101	702	(40,994)	2,809
Total	<u>1,051,584</u>	<u>87,442</u>	<u>(180,158)</u>	<u>958,868</u>

Depreciation expense in the amount of \$87,442 was charged to public safety.

(8) Accounts, Salaries, and Other Payables

The accounts, salaries, and other payables consisted of the following at June 30, 2002:

Accounts	\$ 163,880
Due to other governmental units	13,320
Salaries payable	30,142
Payroll withholdings	5,654
Evidence seizures	38,473
Total	<u>\$251,469</u>

ASSUMPTION SHERIFF  
Napoleonville, Louisiana

Notes to Financial Statements (Continued)

(9) Pension Plan

**Plan Description.** The Assumption Parish Sheriff contributes to the Sheriff's Pension and Relief Fund (Retirement System), a cost-sharing, multiple-employer defined benefit pension plan administered by the Sheriff's Pension and Relief Fund, a public corporation created in accordance with the provisions of Louisiana Revised Statute 11:2171 to provide retirement, disability and survivor benefits to sheriff and deputy sheriff members throughout the State of Louisiana. The Sheriff's Pension and Relief Fund issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Sheriff's Pension and Relief Fund, 6554 Florida Boulevard, Suite 215, Baton Rouge, Louisiana 70806.

**Funding Policy.** Plan members are required to contribute 9.8% of their annual covered salary and the Assumption Parish Sheriff is required to contribute at an actuarially determined rate. The current rate is 7.0% of annual covered payroll. The contribution requirements of plan members and the Assumption Parish Sheriff are established and may be amended by the Sheriff's Pension and Relief Fund. The Assumption Parish Sheriff contributes the employees' portion on behalf of the department's employees. The Sheriff's aggregate contributions to the Retirement System for the years ended June 30, 2002, 2001, and 2000 were \$314,571, \$225,661, and \$195,879, respectively.

(10) Changes in Agency Fund Balances

A summary of changes in agency fund balances due to taxing bodies and others and due to prisoners follows:

	Sheriff's Fund	Tax Collector Fund	Bond Fund
	<u>          </u>	<u>          </u>	<u>          </u>
Balances, June 30, 2001	\$ 37,335	\$ 107,158	\$ 149,514
Additions	63,268	7,883,118	670,808
Reductions	<u>(56,646)</u>	<u>(7,889,225)</u>	<u>(669,631)</u>
Balances, June 30, 2002	<u>\$ 43,957</u>	<u>\$ 101,051</u>	<u>\$ 150,691</u>

ASSUMPTION SHERIFF  
Napoleonville, Louisiana

Notes to Financial Statements (Continued)

	Prison Inmate Trust Fund	Garnishment Fund	Detail Fund
Balances, June 30, 2001	\$ 2,659	\$ 2	\$ -
Additions	60,342	110,657	69,376
Reductions	<u>(59,583)</u>	<u>(110,581)</u>	<u>(68,535)</u>
Balances, June 30, 2002	<u>\$ 3,418</u>	<u>\$ 78</u>	<u>\$ 841</u>

(11) Changes in Long-term Debt

The following is a summary of long-term debt transactions of the Sheriff for the year ending June 30, 2002:

	6/30/2001	Additions	Payments/ Reductions	6/30/2002
Capital leases	\$ 26,191	\$ -	\$ 12,686	\$ 13,505
Compensated absences	102,788	65,930	-	168,718
Total general long-term debt	<u>\$ 128,979</u>	<u>\$ 65,930</u>	<u>\$ 12,686</u>	<u>\$ 182,223</u>

Capital leases at June 30, 2002 are comprised of the following:

\$40,565 due in annual installments of \$14,375 through 06/15/2003; interest at 6.45% per annum	<u>\$ 13,505</u>
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ASSUMPTION SHERIFF  
Napoleonville, Louisiana

Notes to Financial Statements (Continued)

The annual requirements to amortize all capital leases outstanding as of June 30, 2002, including interest payments of \$872, are as follows:

<u>Year Ending</u> <u>June 30</u>	<u>Capital</u> <u>Leases</u>
2003	<u>\$ 14,375</u>

(12) Taxes Paid Under Protest

The unsettled balances due to taxing bodies and others in the agency funds at June 30, 2002, include \$96,106 of taxes paid under protest plus interest earned to date on the investment of these funds. These funds are held pending resolution of the protest and are accounted for in the Tax Collector Agency Fund.

(13) Litigation and Claims

At June 30, 2002, the Sheriff is involved in several lawsuits claiming damages. In the opinion of the Sheriff's legal counsel, resolution of these lawsuits would not create a liability to the Sheriff in excess of insurance coverage.

(14) Risk Management

The Sheriff is exposed to risks of loss in the areas of auto liability, professional law enforcement liability, and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year.

(15) Expenditures of the Sheriff's Office Paid by the Parish Police Jury

The Sheriff's office is located in the annex to the parish courthouse. The cost of maintaining and operating the annex and parish courthouse, as required by statute, is paid by the Assumption Police Jury. These expenditures are not included in the accompanying financial statements.

ASSUMPTION SHERIFF  
Napoleonville, Louisiana

Notes to Financial Statements (Continued)

(16) Interfund Receivables and Payables

Interfund receivables and payables consisted of amounts due to/from other funds for fees for services performed. They consisted of the following at June 30, 2002:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$11,941	\$ -
Agency Funds:		
Sheriff's fund	-	9
Tax collector	-	8,194
Bond fund	-	3,077
Detail fund	-	661
	<u>\$11,941</u>	<u>\$11,941</u>



**REQUIRED SUPPLEMENTARY  
INFORMATION**

ASSUMPTION PARISH SHERIFF  
Napoleonville, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance  
Governmental Fund Type - General Fund  
Budget (GAAP Basis) and Actual  
Year Ended June 30, 2002

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Ad valorem taxes	\$1,915,000	\$1,970,865	\$1,982,035	\$ 11,170
Intergovernmental revenues -				
Federal grants	140,500	194,675	210,684	16,009
State grants - state revenue sharing (net)	215,840	335,666	349,420	13,754
State supplemental pay	115,000	136,378	136,378	-
Video poker commissions	180,000	126,684	172,412	45,728
Reimbursement programs	47,400	179,407	167,743	(11,664)
Fees charges and commissions for services -				
Commissions on taxes	35,000	137,168	78,587	(58,581)
Civil and criminal fees	160,000	193,247	220,267	27,020
Court attendance	5,000	3,325	3,425	100
Telephone commissions	36,000		26,774	26,774
Feeding and keeping prisoners	380,000	423,841	414,774	(9,067)
Interest income	25,000	24,984	21,580	(3,404)
Miscellaneous	69,000	138,796	135,616	(3,180)
Total revenues	<u>3,323,740</u>	<u>3,865,036</u>	<u>3,919,695</u>	<u>54,659</u>
Expenditures:				
Current -				
Public safety:				
Personal services and related benefits	2,142,500	2,352,331	2,397,488	(45,157)
Operating services	473,000	672,280	693,340	(21,060)
Operations and maintenance	570,764	680,078	748,275	(68,197)
Travel and other charges	5,000	15,100	21,585	(6,485)
Debt service	509,976	471,375	471,375	-
Capital outlay	100,000	284,921	252,029	32,892
Total expenditures	<u>3,801,240</u>	<u>4,476,085</u>	<u>4,584,092</u>	<u>(108,007)</u>
(Deficiency) of revenues over expenditures	(477,500)	(611,049)	(664,397)	(53,348)
Other financing sources (uses):				
Sales of surplus equipment	-	1,120	1,120	-
Interest	(7,500)	(4,486)	(4,486)	-
Debt proceeds	485,000	457,000	457,000	-
Net other financing sources (uses)	<u>477,500</u>	<u>453,634</u>	<u>453,634</u>	<u>-</u>
(Deficiency) of revenues and other sources over expenditures and other uses	<u>-</u>	<u>(157,415)</u>	<u>(210,763)</u>	<u>(53,348)</u>
Fund balance, beginning	<u>863,421</u>	<u>863,421</u>	<u>863,421</u>	<u>-</u>
Fund balance, ending	<u>\$ 863,421</u>	<u>\$ 706,006</u>	<u>\$ 652,658</u>	<u>\$(106,696)</u>

The accompanying notes are an integral part of this statement.

**OTHER SUPPLEMENTARY  
INFORMATION**

ASSUMPTION PARISH SHERIFF  
Napoleonville, Louisiana  
General Fund

Statement of Expenditures Compared to Budget (GAAP Basis)  
Year Ended June 30, 2002

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Current:				
Public safety -				
Personal services and related benefits:				
Sheriff's salary	\$ 77,000	\$ 77,000	\$ 83,500	\$ (6,500)
Deputies salaries	1,770,300	1,900,225	1,959,595	(59,370)
Other salaries	-	5,379	5,379	-
Pension and payroll taxes	287,500	362,027	349,014	13,013
Sheriff's expense allowance	7,700	7,700	-	7,700
Total personal services and related benefits	<u>2,142,500</u>	<u>2,352,331</u>	<u>2,397,488</u>	<u>(45,157)</u>
Operating services:				
Hospitalization insurance	300,000	456,223	497,586	(41,363)
Life insurance	20,000	19,701	19,803	(102)
Employee medical	5,000	5,753	4,223	1,530
Auto insurance	65,000	83,797	62,748	21,049
Other liability insurance	83,000	106,806	108,980	(2,174)
Total operating services	<u>473,000</u>	<u>672,280</u>	<u>693,340</u>	<u>(21,060)</u>
Operations and maintenance:				
Auto fuel and oil	120,000	101,643	110,926	(9,283)
Auto maintenance	75,000	77,548	96,357	(18,809)
Deputy uniforms, supplies, etc.	45,500	60,576	76,172	(15,596)
Office supplies and expenses	63,500	58,453	66,374	(7,921)
Telephone	31,000	40,769	42,542	(1,773)
Prisoner feeding and maintenance	120,000	125,083	124,210	873
Professional fees	65,000	79,056	94,247	(15,191)
Criminal investigation expense	6,000	13,806	15,171	(1,365)
Other	44,764	123,144	122,276	868
Total operations and maintenance	<u>570,764</u>	<u>680,078</u>	<u>748,275</u>	<u>(68,197)</u>
Travel and other charges	<u>5,000</u>	<u>15,100</u>	<u>21,585</u>	<u>(6,485)</u>
Debt service	<u>509,976</u>	<u>471,375</u>	<u>471,375</u>	<u>-</u>
Capital outlay	<u>100,000</u>	<u>284,921</u>	<u>252,029</u>	<u>32,892</u>
Total expenditures	<u>\$3,801,240</u>	<u>\$4,476,085</u>	<u>\$4,584,092</u>	<u>\$(108,007)</u>

## **AGENCY FUNDS**

### **Sheriff's Fund -**

Sheriff's Fund - To account for funds held in connection with civil suits, sheriff's sales, and garnishments and payment of these collections to the Sheriff's General Fund and other recipients in accordance with applicable laws.

### **Tax Collector Fund -**

Article V, Section 27 of the Louisiana Constitution of 1974, provides that the Sheriff will serve as the collector of state and parish taxes and fees. The Tax Collector Fund is used to collect and distribute these taxes and fees to the appropriate taxing bodies.

### **Bond Fund -**

To account for the collection of cash bonds and payment of these collections to the eligible recipients in accordance with applicable laws.

### **Prison Inmate Trust Fund -**

To account for the receipts and disbursements made to the individual prison inmate accounts.

### **Commissary Fund -**

To account for the sale of commissary merchandise and supplies.

ASSUMPTION PARISH SHERIFF  
Napoleonville, Louisiana  
Agency Funds

Combining Balance Sheet  
June 30, 2002

	Sheriff's Fund	Tax Collector Fund	Bond Fund	Prison Inmate Trust Fund	Garnishment Fund	Detail Fund	Totals
Cash	\$ -	\$ -	\$ -	\$ 3,418	\$ 78	\$ 841	\$ 4,337
Interest-bearing deposits	43,957	101,051	150,691	-	-	-	295,699
Total assets	<u>\$ 43,957</u>	<u>\$ 101,051</u>	<u>\$ 150,691</u>	<u>\$ 3,418</u>	<u>\$ 78</u>	<u>\$ 841</u>	<u>\$ 300,036</u>
ASSETS							
Due to other funds	\$ 9	\$ 8,194	\$ 3,077	\$ -	\$ -	\$ 661	\$ 11,941
Due to taxing bodies and others	43,948	92,857	147,614	-	78	180	284,677
Due to inmates	-	-	-	3,418	-	-	3,418
Total liabilities	<u>\$ 43,957</u>	<u>\$ 101,051</u>	<u>\$ 150,691</u>	<u>\$ 3,418</u>	<u>\$ 78</u>	<u>\$ 841</u>	<u>\$ 300,036</u>
LIABILITIES							

ASSUMPTION PARISH SHERIFF  
Napoleonville, Louisiana  
Agency Funds

Combining Statement of Changes in Assets and Liabilities  
Year Ended June 30, 2002

	Sheriff's Fund	Tax Collector Fund	Bond Fund	Prison Inmate Trust Fund	Garnishment Fund	Detail Fund	Totals
Balances, beginning of year	\$ 37,335	\$ 107,158	\$149,514	\$ 2,659	\$ 2	\$ -	\$ 296,668
Additions:							
Deposits -							
Sheriff's sales	38,078	-	-	-	-	-	38,078
Bonds	-	-	636,899	-	-	-	636,899
Fines and costs	-	-	-	-	-	-	-
Garnishments	-	-	-	-	110,398	-	110,398
Inmates	-	-	-	60,342	-	-	60,342
Taxes, fees, etc. paid to tax collector	-	7,883,118	-	-	-	-	7,883,118
Interest on investments	752	-	3,482	-	-	46	4,280
Other additions	24,438	-	30,427	-	259	69,330	124,454
Total additions	63,268	7,883,118	670,808	60,342	110,657	69,376	8,857,569
Total	100,603	7,990,276	820,322	63,001	110,659	69,376	9,154,237
Reductions:							
Taxes, fees, etc. distributed to taxing bodies and others	-	7,889,225	-	-	-	-	7,889,225
Deposits settled to -							
Sheriff's General Fund	28,897	-	132,357	12,616	6,911	7,126	187,907
Police Jury	-	-	156,142	-	-	-	156,142
District attorney	-	-	114,448	-	-	-	114,448
Clerk of court	9,322	-	44,560	-	1,555	-	55,437
Indigent defender board	-	-	127,562	-	-	-	127,562
Litigants	7,090	-	-	-	100,542	-	107,632
Attorneys, appraisers, etc.	8,856	-	-	-	-	-	8,856
Inmate commissary purchases	-	-	-	34,157	-	-	34,157
Inmate withdrawals	-	-	-	12,455	-	-	12,455
Other settlements	-	-	19,929	-	1,573	-	21,502
Other reductions	2,481	-	74,633	355	-	61,409	138,878
Total reductions	56,646	7,889,225	669,631	59,583	110,581	68,535	8,854,201
Balances, end of year	\$ 43,957	\$ 101,051	\$150,691	\$ 3,418	\$ 78	\$ 841	\$ 300,036



**COMPLIANCE**  
**AND**  
**INTERNAL CONTROL**

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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## REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Micheal J. Waguespack  
Assumption Parish Sheriff  
Napoleonville, Louisiana

We have audited the basic financial statements of the Assumption Parish Sheriff (the Sheriff) as of and for the year ended June 30, 2002, and have issued our report thereon dated August 30, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.

### Compliance

As part of obtaining reasonable assurance about whether the Sheriff's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws and regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Sheriff's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide assurance on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Sheriff's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying summary schedule of current and prior year audit findings and corrective action plan as Item 02-1(IC).

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A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe the reportable condition described above is a material weakness.

This report is intended for the information of management and is not intended to be and should not be used by anyone other than specified parties. However, this report is a matter of public record and its distribution is not limited.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Morgan City, Louisiana  
August 30, 2002

ASSUMPTION PARISH SHERIFF  
Napoleonville, Louisiana

Summary Schedule of Findings and Questioned Costs  
Year Ended June 30, 2002

Part I. Summary of Auditor's Results:

An unqualified opinion was issued on the basic financial statements.

Reportable conditions in internal control were disclosed by the audit of the basic financial statements and one of the conditions is considered a material weakness.

The audit did not disclose any instances of noncompliance which are material to the financial statements.

A management letter was not issued.

Part II. Findings required to be reported in accordance with generally accepted Governmental Auditing Standards:

(a) Segregation of Duties

CONDITION: Accounting and financial functions are not adequately segregated.

CRITERIA: SAS55, Consideration of Internal Control in a Financial Statement Audit, as amended by SAS78, Consideration of Internal Control in a Financial Statement Audit: An Amendment to Statement on Auditing Standards No. 55, AU §319.06 defines internal control as follows:

*"Internal control is a process – effected by an entity's board of directors, management, and other personnel – designed to provide reasonable assurance regarding the achievement of objectives in the following categories: (a) reliability of financial reporting, (b) effectiveness and efficiency of operations, and (c) compliance with applicable laws and regulations.*

CAUSE: The cause of the conditions is the result of a failure to design and implement policies and procedures necessary to achieve adequate internal control.

EFFECT: Failure to adequately segregate accounting and financial functions increases the risk that errors and/or irregularities including fraud and/or defalcations may occur and not be prevented and/or detected.

RECOMMENDATION: Due to the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

(b) Supporting documentation

CONDITION: Inmate authorizations for disbursements to individuals other than inmates were not retained.

CRITERIA: SAS55, Consideration of Internal Control in a Financial Statement Audit, as amended by SAS78, Consideration of Internal Control in a Financial Statement Audit: An Amendment to Statement on Auditing Standards No. 55, AU §319.06 defines internal control as follows:

*“Internal control is a process – effected by an entity’s board of directors, management, and other personnel – designed to provide reasonable assurance regarding the achievement of objectives in the following categories: (a) reliability of financial reporting, (b) effectiveness and efficiency of operations, and (c) compliance with applicable laws and regulations.*

Additionally, Statements on Standards for Attestation Engagements (SSAE) AT §400.02 states:

An entity’s internal control over financial reporting includes those policies and procedures that pertain to an entity’s ability to record, process, summarize, and report financial data consistent with the assertions embodied in either financial statements or interim financial statements, or both.”

CAUSE: The cause of the conditions is the result of a failure to design and implement policies and procedures, including filing and retention practices, necessary to achieve adequate internal control.

EFFECT: Failure to retain supporting documentation of inmate disbursements could result in inmates alleging that the withdrawal was not authorized.

RECOMMENDATION: We recommend that APSO implement policies and procedures improving its filing and retention practices with regard to inmate withdrawals.

Part III. Findings and questioned costs for federal awards required to be reported in accordance with Office of Management and Budget Circular A-133:

not applicable

ASSUMPTION PARISH SHERIFF  
Napoleonville, Louisiana

Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2002

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken (Yes, No, Partially)	Planned Corrective	
				Action/Partial Corrective	Action Taken

Section I - Internal control and compliance material to the financial statements.

Compliance

Internal Control

99-2	1999 or prior	Inadequate segregation of functions within the accounting system.	No	See corrective action plan for current year findings	
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Section Ia - Other Internal control and compliance

Compliance

Internal Control

Section II - Management letter

01-1	6/30/2001	Personnel files do not contain properly completed Forms I-9	Yes	N/A	
01-2	6/30/2002	Agreements for services contracts have not been reduced to writing.	Yes	N/A	

ASSUMPTION PARISH SHERIFF  
Napoleonville, Louisiana

Corrective Action Plan for Current Year Findings  
Year Ended June 30, 2002

Ref. No.	Description of Finding	Corrective Action Planned	Contact Person(s)	Anticipated Completion Date
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Section I - Internal control and compliance material to the financial statements.

Compliance

No items are applicable to this section.

Internal Control

99-2	Inadequate segregation of functions within the accounting system.	Due to budget limitations, we cannot justify the additional expense to hire additional personnel in order to completely segregate all accounting functions. The costs of hiring the additional personnel would, in our opinion, outweigh the benefits derived from segregation of all accounting functions.	Michael J. Waguespack, Sheriff	Undetermined
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Section Ia - Other Internal control and compliance

Compliance

No items are applicable to this section.

Internal Control

02-3	Inmate authorizations for disbursements to individuals other than the inmates were not retained.	The Assumption Parish Sheriff maintains a prison inmate trust fund on behalf of the inmates for the prisoners' use in purchasing commissary items, various sundry items, and to pay a co-pay for their medical and prescription costs. Any remaining funds that belong to the inmate are disbursed to the inmate upon his release. Occasionally, an inmate may build up excess monies in their accounts and will authorize the jail administration to disburse a certain amount of funds to a friend or family member while he is still in our custody and/or upon his release. As noted in the finding, some of the documentation supporting the authorization by the inmate to disburse the funds were not properly retained. We are now currently maintaining all of the authorization slips noting the inmate signature and his or her approval for any and all disbursement amounts made to individuals other than inmates.	Michael J. Waguespack, Sheriff	On-going
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Section II - Management letter

No items are applicable to this section.